

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: ZAC BRAND, FLEET SUPERINTENDENT
TRANSPORTATION AND PUBLIC WORKS
BRANDALYN TRAMEL, PURCHASING AGENT
FINANCE DEPARTMENT
SUBJECT: WAIVER OF BID AND APPROVAL OF A PURCHASE ORDER
FOR TWENTY FORD F-150 LIGHTNING ELECTRIC VEHICLES
TO HANSEL FORD, SANTA ROSA, CALIFORNIA

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation and Public Works and Finance Departments that the Council, by resolution: 1) waive competitive bidding pursuant to Section 3-08.100(D) of the Santa Rosa City Code; and 2) approve issuance of a purchase order for the purchase of twenty (20) 2022 or newer model year Ford F150 Lightning Battery Electric Vehicles to Hansel Ford, Santa Rosa, CA for \$46,351.80 each, for a total purchase price not to exceed \$927,036; these vehicles are all allocated as replacements for existing vehicles.

EXECUTIVE SUMMARY

Purchasing received a purchase requisition with specifications from TPW for issuance of a purchase order to procure twenty Ford F150 Battery Electric Class 2b pickup trucks.

BACKGROUND

Under the City's guidelines for replacement of fleet vehicles, the Transportation and Public Works Department (TPW) Fleet Maintenance Division selects a vehicle for replacement when it has reached the end of its cost-effective life cycle. These vehicles have met the replacement criteria using a 15 point replacement program, an industry standard to predict when best to sell a vehicle. Repair costs, age, and mileage are considered in the point calculation performed by our Faster Fleet software system.

The City of Santa Rosa is transitioning replacement vehicles to a Battery Electric powertrain to support the reduction of GHG emissions as directed by the City of Santa

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Rosa Climate Action Plan and the State of California's Executive Order N-79-20. EPA estimates that every petroleum fueled passenger vehicle replaced by a Battery Electric Vehicle eliminates 4.6 metric tons of carbon dioxide emissions every year.

Ford Motor Company has begun taking fleet orders for an all electric Class 2b pickup truck, the F-150 Lightning, and announced production beginning April 26, 2022. The other major manufacturers with support in Santa Rosa: Platinum Chevrolet, Jim Bone Nissan, Freeman Toyota, and CardinaleWay Ram have not published a firm order or production date for an all electric Class 2b pickup truck.

This platform selected has applicability across several departments, including Santa Rosa Water, Transportation and Public Works, Recreation, Housing and Community Services, Planning and Economic Development, and Finance Departments, providing 5 passenger capability, 230 mile range and including a wall mountable charging solution.

Pricing provided by Hansel Ford is comparable to pricing provided by the Sourcewell Cooperative contract held by National Fleet Auto Group, but allow for a local, as defined by City Code, vendor to be awarded.

The vendor, Hansel Ford, has previously accepted the City of Santa Rosa Terms and Conditions and agrees to the City's standard Terms and Conditions here.

PRIOR CITY COUNCIL REVIEW

Not applicable

ANALYSIS

The Purchasing Agent, and Senior Buyer with the assistance of Fleet underwent research to determine the opportunity to undertake a lowest response bid award for the desired specification within the current market. In that research, it was determined that all manufacturers other than Ford, do not have vehicle availability, applicability, dealer support, or a release date, that is within reach of a valid solicitation. Ford Motor company has announced production dates beginning April 26, 2022, whereas General Motors, Ram Trucks, Toyota, and Nissan have not firmly announced any release date.

The current manufacturing climate is producing lead times exceeding 18 months for many models.

Section 3-08.100(D) of the City Code provides that purchases of supplies, material, equipment, and services may be made without recourse to competitive bidding requirements where the source of supply, necessary restrictions in specifications, necessary standardization, quality considerations, or other valid reasons for waiving competition appears.

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Under Section 3-08.100(D), the approval of the waiver of competitive bidding must be approved at the same level of authority as set forth in Section 3-08.110 of the City Code. Council is the award authority for a purchase with a not-to-exceed amount over \$100,000 and must approve the waiver of competitive bidding.

Waiver of competitive bidding is in the best interests of the City and there are valid reasons for a waiver for the recommended purchase order with Hansel Ford. After an extensive outreach effort to all vehicle manufactures to fully understand the ability to solicit with competition, it was determined that Hansel Ford is the only local, as defined by City Code, vendor of a manufacturer currently capable of providing pricing, availability, and support of a Battery Electric Class 2b pickup truck. As Council has for years has expressed the interest, when possible, to utilize local vendors, this is an excellent opportunity. After determining that no other vehicle dealers are able to bid this request due to production timelines, and in lieu of bidding the Ford product nationally City has opted to waive bidding and issue award to the only local dealer, as defined by City Code 3-08.130 (I) after analysis of pricing was deemed responsible as it was compared to nationally awarded cooperative contracts.

Based on the pricing the City obtained from Hansel Ford, and the limited availability of the required battery operated equipment, TPW and the Purchasing staff consider it advantageous to the City to waive the competitive purchase process as allowed in City Code 3-08.100 (D) and issue a purchase order to Hansel Ford. Upon approval by Council, a purchase order will be issued using the City's standard Terms and Conditions for the vehicles described above and within the quote attached, in an amount not-to-exceed \$927,036.

FISCAL IMPACT

Funds for this operational expense have been allocated in the FY 2021/22 budget under the TPW Key 300106-5584. All expenses to this key are distributed to End User Departments approved Object Code 5336 budget through the Fleet billing process. There is no direct fiscal impact to the General Fund.

ENVIRONMENTAL IMPACT

This project is exempt from the California Environmental Quality Act (CEQA) in that it qualifies for a Class 1 exemption, Existing Facilities, pursuant to CEQA Guidelines Section 15301. Specifically, the proposed action would result in the purchase of replacement vehicles, allowing the continued operation of existing public facilities involving negligible or no expansion of use.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

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NOTIFICATION

Not applicable

ATTACHMENTS

- Resolution/Exhibit A – Hansel Ford Price Quote

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